



U.S. Department of Justice
United States Attorney
District of the Virgin Islands

Federal Building & United States Courthouse

5500 Veterans Drive, Suite 260
Charlotte Amalie
St. Thomas, Virgin Islands 00802-6424
Voice: (340) 774-5757
Fax: (340) 776-3474

August 13, 2004

PRESS RELEASE

FOR IMMEDIATE RELEASE

Senator Carlton Dowe indicted for wire fraud

United States Attorney David M. Nissman and Assistant Attorney General Christopher A. Wray of the Criminal Division announced today that a federal grand jury sitting on St. Thomas returned a two-count wire fraud indictment against Senator Carlton Dowe of the U.S. Virgin Islands.

The indictment charges Dowe with stealing \$75,207.75 in government funds. Specifically, the indictment alleges that, from January 2000 through February 2002, Dowe concocted and engaged in a fraudulent scheme to resubmit a \$50,000 court judgment for back pay to the Virgin Islands Fire Service -- where Dowe served as Director from January 1995 through January 1999 -- after receiving payment in full through the Legal Judgments Special Fund administered by the Virgin Islands Attorney General. In seeking to disguise the duplicate payment, Dowe instructed a Fire Service employee to alter his payroll records to reflect a retroactive increase in his hourly wage, and combine the payment with an unrelated and unpaid back pay claim, rather than disclose the true nature of the payment. According to the indictment, Dowe never

informed the Fire Service employee that he already had received the \$50,000 payment. In the end, Dowe fraudulently received, through a series of interstate wire transfers, a lump sum duplicate payment from the territorial government in the pre-tax amount of \$75,207.75.

The indictment further charges that when the Office of the Virgin Islands Inspector General began investigating the payment, Dowe coaxed the Fire Service employee who calculated and processed the fraudulent claim at his direction to lie to investigators about Dowe's involvement in calculating and submitting the duplicate back pay claim. The penalty for the federal offenses is a maximum of twenty (20) years imprisonment and a fine of not more than \$250,000.

Attorney Nissman commended the Virgin Islands Office of the Inspector General for its investigation of this matter. He further stated that this case is being jointly prosecuted by the Public Integrity Section of the Department of Justice and the U.S. Attorney's Office.

United States Attorney Nissman and Assistant Attorney General Wray issued a reminder that, as in all criminal cases, the indictment in this case is merely a charging document, and the defendant is presumed innocent unless and until proven guilty in court.